



Global Currency Payments & Transfers

Terms and Conditions

The Client warrants and acknowledges that:

1. Basis of Instruction

- (a) The Client is an Australian resident or Australian citizen living abroad.
- (b) The Client is acting as principal only and not as agent for any third party whose identity has not been disclosed to DirectFX.
- (c) DirectFX may rely on facsimile, scanned pdf or digital copies of the Client Agreement and all identification documents relating to the Client.
- (d) The Authorised Persons named on the Client Agreement form supplied with these Terms and Conditions are authorised by the Client to give Instructions to DirectFX on behalf of the Client.
- (e) The information provided by DirectFX is general in nature and does not take into account any of the Client's personal needs or circumstances. Therefore, before acting or relying on any of the information provided by DirectFX, the Client has considered whether it is appropriate to his/her objectives, financial situation and needs.
- (f) The Client has received, read, and understood an up to date Financial Services Guide (FSG) and Product Disclosure Statement (PDS) issued by DirectFX, and agrees to be bound by the terms and conditions contained therein.
- (g) The information contained in the FSG and PDS is current at the time of preparation but may be subject to change from time to time. If any new information is material, a new or supplementary document will be issued containing the new information. If the new information is not considered material, the information will be available on the DirectFX website www.directfx.com.au or by contacting DirectFX directly.
- (h) Any disclosure document, including the most up to date PDS, FSG, and supplementary documents, or any other document required to be given to the Client by law, may be given to the Client by being placed on the DirectFX website www.directfx.com.au.
- (i) These Terms and Conditions are subject to change from time to time. DirectFX will write to Clients if any material amendment is made to the Terms and Conditions. Any amendment shall be binding with the agreement of the Client from the date of such notice. Amendments will not be retrospective. Amendments will not affect any rights or obligations that may already exist in respect of any instructions.
- (j) The Client will provide DirectFX with all information, documentation, and details necessary to enable DirectFX to comply with any applicable legislation.
- (k) The Client is responsible for ensuring that all information, documentation, and details provided to DirectFX are true and accurate. The Client agrees to notify DirectFX immediately in the event that the Client becomes aware of any error, change, or omission in the information, documentation, and/or details provided.
- (l) The Client is responsible for ensuring DirectFX has current email contact details for the Client, to enable DirectFX to send to the Client amended Terms and Conditions, PDS, and FSG when necessary.

2. Instructions

- (a) The Client may provide Instructions to DirectFX verbally or in writing.
- (b) DirectFX reserves the right to require written confirmation of any Instructions made by the Client.
- (c) DirectFX may digitally record phone conversations with Clients and reserves the right to produce and store a transcript of the phone conversations.

- (d) DirectFX may use any recording or transcript of phone conversations for the purposes of verifying the details of a Foreign Exchange Transaction or to resolve any disputes between DirectFX and the Client.
- (e) Emailed or faxed At Market orders will be executed at the prevailing Exchange Rate available when Client Instructions are received by DirectFX.
- (f) Emailed or faxed Client Instructions should not be considered to have been received by DirectFX until DirectFX has responded.
- (g) Irrespective of whether or not DirectFX has responded to confirm Client Instructions have been received, the cancellation of Client Instructions whether made verbally or in writing, does not guarantee Client Instructions will not have been completed.
- (h) The Client will send to DirectFX payment instructions for where the Clients bought currency will be deposited, once a Foreign Exchange Transaction is in place.

3. Trading

- (a) The Client is to provide DirectFX with the sold currency in Cleared Funds without set-off, counterclaim, or deduction whatsoever before receiving the bought currency.
- (b) If Cleared Funds are received on the required date, but after normal banking cut off times, DirectFX will make settlement as per the Client settlement instruction, on the next Business Day following the trade Settlement Date.
- (c) Sold currency needs to be paid immediately for Same Day Contracts, in a way that will ensure the payment is received as Cleared Funds, in time for DirectFX to deliver the bought currency. Same Day Contracts can only be affected within certain business hours and will be dependent on banking payment cut off times.
- (d) For Spot Contracts, sold currency must be delivered to DirectFX in Cleared Funds one Business Day following the Transaction Date.
- (e) For Forward Contracts, the Initial Margin of 10 percent must be received in Cleared Funds one Business Day following the Transaction Date. The balance of the sold currency must be received in Cleared Funds one Business Day prior to the Settlement Date.
- (f) For Forward Contracts, if the value of the Initial Margin falls below 5 percent of the Contract Face Value, DirectFX may, at its discretion, require Additional Margin payments to restore the security held by DirectFX to 10 percent of the Contract Face Value.
- (g) Additional Margin due must be received by DirectFX in Cleared Funds one Business Day following the communication of a DirectFX Margin Call.
- (h) DirectFX will only accept and make electronic bank payments.
- (i) The Client agrees to release and indemnify DirectFX against all actions, claims, costs, demands, and losses, arising from or in any way relating to, DirectFX in good faith accepting or acting on any instructions received by telephone, fax, or email which are, or are purported to be, from the Client.
- (j) DirectFX retains the right and discretion not to trade at any time and may refuse to do so without giving any reason.

4. Trading Acknowledgements

- (a) The Exchange Rate quotations provided by DirectFX are not a forecast or advice on where DirectFX believes Foreign Exchange Rates will be at a future date.
- (b) DirectFX is in no way obligated to honour any indicative At Market Exchange Rate quoted.
- (c) The Client has no interest in or claim over the funds DirectFX lodges with its counterparties that have been withdrawn from the Client Funds Account to secure funding arrangements, nor in any contracts held with those counterparties.
- (d) DirectFX are not responsible for the late delivery of bought funds due to late receipt of Client sold Cleared Funds, bank payment system related issues, or other third party provider problems out of its control.
- (e) The ability for DirectFX to complete Limit and Stop Loss Orders is dependent upon DirectFX's ability to access suitable Exchange Rates. This ability is totally independent to the Interbank market and the trading activities of any other provider of a similar service.
- (f) DirectFX will have no liability to the Client for any loss or damage suffered by the Client or any other party as a result of DirectFX's refusal to trade.
- (g) Amending Settlement Dates can only be done at the agreement of DirectFX and may result in the Exchange Rate being amended to reflect the impact of the longer or shorter Settlement Date.
- (h) Subject to the Corporations Act 2001 and the Trade Practices Act 1974:
 - i. DirectFX will not be liable to the Client for any claim which arises as a result of currency fluctuations between the Transaction Date and the Settlement Date;

- ii. DirectFX will not be liable to the Client for any claim which arises as a result of the Client's non-compliance with these Terms and Conditions;
- iii. DirectFX shall not be liable for any claim arising save for direct losses caused by the negligence of DirectFX in its execution of a Foreign Exchange Transaction;
- iv. DirectFX shall not be liable for any loss suffered as a result of any actions or delays by any third parties;
- v. DirectFX shall not be liable for any loss suffered arising from any cause beyond the reasonable control of DirectFX, including any delay or non-performance of its obligations;
- vi. The Client agrees to indemnify and continue to indemnify DirectFX against any and all liabilities incurred by DirectFX in the proper performance of its duties and obligations; and
- vii. Without prejudice and subject to these Terms and Conditions, the total aggregate liability of DirectFX to the Client for any claim will not exceed the lesser of:
 - a) The total amount paid by the Client to DirectFX in respect of the transaction giving rise to the claim; or
 - b) AUD200,000.

5. Close Out

- (a) There is no cooling off period. Transactions cannot be cancelled. However, a contract can be Closed Out prior to or on Settlement Date in these circumstances:
 - i. As a result of a change in the Client's circumstances meaning the contract is no longer necessary, the Client and DirectFX may agree to Close Out a contract – effected by the Client purchasing an equal and opposite contract from DirectFX. This can only be done with the agreement of DirectFX.
 - ii. The Client breaches one of these Terms and Conditions – effected by DirectFX purchasing an equal and opposite contract in the market at the prevailing market Exchange Rate
 - iii. The Client is made bankrupt – effected by DirectFX purchasing an equal and opposite contract in the market at the prevailing market Exchange Rate
 - iv. DirectFX are required to do so by a law enforcement authority – effected by DirectFX purchasing an equal and opposite contract in the market at the prevailing market Exchange Rate

The Client agrees to notify DirectFX immediately if any of these circumstances become applicable.

In circumstances ii, iii, and iv, DirectFX may Close Out the trade without notice to the Client or any other party and without incurring any liability to the Client.

- (b) In all Closed Out transactions DirectFX will calculate the financial gain or loss incurred. In the event a profit has resulted DirectFX will make payment to the Client of the profit amount. In the event a loss has resulted, the Client will be required to make payment of the loss amount and any other fees or costs incurred by DirectFX in Closing Out the trade, in Cleared Funds, the following Business Day.
- (c) In all Closed Out transactions DirectFX may set off any Margin Payments held or other monies owing by the Client to DirectFX.
- (d) DirectFX may, in its absolute discretion, Close Out any transaction it considers necessary to do so for its own protection.

6. Fees and Interest

- (a) While DirectFX does not charge fees, the Client's recipient bank may deduct their own transaction fees.
- (b) DirectFX is entitled to receive any interest received from Client Fund accounts. DirectFX will not pay interest on funds held in Client Fund accounts.

7. Interpretation

- (a) A Foreign Exchange Transaction is in place between the Client and DirectFX at the point when the Client Instructions are completed.
- (b) Each Foreign Exchange Transaction constitutes a separate agreement.
- (c) In the event that a conflict arises between these Terms and Conditions and any agreement made between DirectFX and the Client or any other document, the provisions of these Terms and Conditions shall prevail.
- (d) These Terms and Conditions and any agreement made with DirectFX will be subject to and governed by the applicable laws of New South Wales, Australia.

Defined Terms

Additional Margin payments required to restore the security held by DirectFX to 10 percent of the Contract Face Value.

Client Agreement the agreement constituted by the completed Client Agreement given to prospective Clients to complete and return to DirectFX.

At Market the prevailing Exchange Rate available.

At Market Order a request to trade at the current At Market Exchange Rate.

Authorised Persons people authorised by the Client to give Instructions to DirectFX on behalf of the Client.

Business Day when banks are open for business in New Zealand and Australia

Cleared Funds funds that have been deposited into our Client Funds Account and are available to withdraw.

Client a party or parties dealing with DirectFX.

Client Funds Accounts Client funds are held in Client Funds Accounts, and used and withdrawn in accordance with the Corporations Act 2001 and these Terms and Conditions.

Client Instructions placing and cancelling orders.

Closed Out Transactions effected by purchasing an equal and opposite contract to the original Foreign Exchange Transaction.

Contract Face Value the value of the Foreign Exchange Transaction in terms of the sold currency.

DirectFX Direct FX Ltd, ARBN 114 868 978, AFSL 291471

Exchange Rate the rate at which one currency will be exchanged for another.

Foreign Exchange Transaction an agreement to exchange one currency for another at an agreed Exchange Rate on an agreed Settlement Date.

Forward Contract a Foreign Exchange Transaction where the Settlement Date is later than two Business Days after entering the transaction. (In the Corporations Act, Forward Contracts are also classified as derivatives.)

Instructions placing and cancelling orders.

Initial Margin the security payment required for Forward Contracts equalling 10 percent of the Contract Face Value amount.

Interbank bank to bank transactions.

Interbank market where banks buy and sell between each other.

Limit Order an Instruction to transact at an Exchange Rate not currently available. For an expanded definition and example, please see page 6 of this PDS.

Margin Call if an Additional Margin is required, DirectFX will contact the Client by telephone, email, or fax.

Margin Payments includes the Initial Margin and any Additional Margins.

Same Day Contract a Foreign Exchange Transaction where entering a transaction and settlement take place on the same day.

Settlement Date the date on which one currency will be exchanged for another.

Spot Contract a Foreign Exchange Transaction where the Settlement Date is two Business Days after entering the transaction.

Stop Loss Order used to limit the loss in value of a currency needed to sell if Exchange Rates fluctuate. For an expanded definition and example please see page 6 of the DirectFX PDS.

Terms and Conditions set out how trading will be conducted between the Client and DirectFX .

Transaction Date the date on which the Foreign Exchange Transaction is agreed.